THE HON'BLE SRI JUSTICE C.V. RAMULU

Tuesday, 20th June, 2006

W.P.No.10423 of 2006

Between:

M/s.Rohini Enterprises, rep.by

its Proprietor Ch. Vijaya Nirmala … Petitioner

and

A.P. Agro Industries Development Corporation,

Rep. by its Vice-Chairman and Managing

Director, 6-2-45/7, Advocates Colony

A.C. Guards, Hyderabad & another

… Respondents

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ORAL ORDER:

This Writ Petition is filed seeking a Mandamus declaring the Proceedings dated 17-5-2006 bearing No.CWS/Accts/Ests/05-06 issued by the 2nd respondent as arbitrary and illegal.

Through the impugned Order, the petitioner was directed to vacate the premises

allotted to it on lease basis, by 31-5-2006 for implementing the policy decision of the State Government for setting up of Analytical and Quality Control Laboratory for the welfare of farmers and public of the State at large. However, in the counter affidavit filed on behalf of the respondents, it is stated that the lease agreement of the petitioner expired by 18-6-2005. Therefore, the Corporation issued an advance notice on 20-4-2005 to the petitioner informing to raise the rent from Rs.2.75 to Rs.4/- per square foot and requested to enter into a new agreement with effect from 19-6-2005 as the lease period expires on 18-6-2005. However, the petitioner seems to have made a representation on 17-6-2005 seeking renewal of the lease stating that the increase of rent with 5% increase on the existing rent and denied to pay the rent raising from Rs.2.75 to Rs.4.00 per sft. Further, in the Regional Managers' meeting held on 12-4-2005 a uniform policy decision was taken to increase the rent not less than Rs.4.12 per sft for all the sheds let out by the Corporation for the ensuing years due to the bad financial position of Corporation while making further extension of lease agreements. All other occupants in the same premises are paying rent of Rs.4.00 per sft + 10% for adjacent open area. Therefore, the Corporation vide letter/notice dated 14-7-2005 informed the petitioner to pay the enhanced rent of Rs.4/- per sft plus 10% per sft for adjacent open area and that the two years lease agreement expired by 18-6-2005. Further, it was informed that if the petitioner intends to continue, it has to pay the enhanced rent, failing which, to vacate the premises. Thereafter, some welfare measure was taken up and the Government of Andhra Pradesh was intending to set up a Laboratory in the premises of the respondent-Corporation. As such, firstly for non-complying with the instructions issued by the Corporation and secondly for setting up of Laboratory in the complex, the impugned notice was issued asking the petitioner to vacate the premises.

Be that as it may, as of now, the respondents have not identified what exactly the area required for the purpose of setting up of Laboratory as proposed by the Government. Further, the petitioner seeks only six months time to vacate the premises i.e. on or before 31-12-2006, positively. In view of the above, the petitioner is directed to pay the rent as demanded by the respondents as per the letter dated 14-7-2005 till date and also continue to pay at the same rate till it vacates the premises, on or before 31-12-2006. The petitioner shall give an undertaking that it will not raise any dispute and will not file any suit or other legal proceeding before any Court of law.

In the above circumstances, the respondents are directed to continue the petitioner in the premises upto 31-12-2006 and if for any reason, the petitioner fails to vacate the premises, the respondents are at liberty to use coercive methods thereafter against the petitioner.

With the above directions, the Writ Petition is disposed of. No order as to costs.

20-6-2006

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